

Finance Task Force Analysis
Response to Electric Bus Procurement

Section 1: Financial Report by Company Analysis

Ratio *	Control Number *	Gillig	BYD	New Flyer	Proterra
Current Ratio	110.00%	169.24%	104.86%	174.67%	534.00%
Quick Ratio	100.00%	212.88%	58.17%	72.30%	361.73%
Interest Coverage Ratio	150.00%	14638.24%	12469.86%	-2145.48%	-823.88%
Debt-to-Assets Ratio	60.00%	2.31%	25.51%	46.24%	32.12%
Debt-to-Equity Ratio	199.00%	3.02%	79.55%	205.48%	178.94%
Debt Service Coverage Ratio	100.00%	12288.23%	7.43%	-32.76%	-332.48%
Asset Coverage Ratio	200.00%	3528.87%	184.49%	163.44%	263.36%

* Definitions for ratio's used are available to the right of the print area on the spreadsheet.

* Sources for control numbers are available in the respective comment fields of the spreadsheet.

* Each company submitted reports with a fiscal year end of approximately 2020/12/31.

Legend:

Not a healthy percentage

Section 2: Notable Financial Statement Findings

Company	Safe?	Findings
Gillig	Yes	Standard audit report. Uses equity financing.
BYD	Yes	Standard audit report. Uses debt financing. In our opinion the structure of the parent company would not allow for their company to fail.
New Flyer	Yes	Standard audit report. Uses debt financing. Based on ratios, they are leveraging equity to fund their debt or operations. Diverse portfolio that complements their bus manufacturing operations.
Proterra	Yes	Standard audit report. Uses equity financing. Their losses in some years were over 100% of their revenues. In 2021 they merged with a company in the Cayman Islands that is specialized in taking companies public.

Section 3: Credit Report Company Analysis

Company	Safe?	Findings
Gillig	Yes	Found no DNB findings that indicate serious business risk.
BYD	No	DNB says, "Based on the predicted risk of business discontinuation: HIGHER THAN AVERAGE RISK OF DISCONTINUED OPERATIONS OR BUSINESS INACTIVITY."
New Flyer	Yes	Found no DNB findings that indicate serious business risk.
Proterra	No	DNB says, "Based on the predicted risk of business discontinuation: HIGHER THAN AVERAGE RISK OF DISCONTINUED OPERATIONS OR BUSINESS INACTIVITY."

Section 4: Finance Task Force Response

Company	Safe?	Findings
Gillig	Yes	After reviewing their financial statements, we found they have healthy ratios across the board. Also, upon review of their DNB credit report, the task force found nothing to indicate serious business risk. Overall a safe business to work with.
BYD	Yes	After reviewing their financial statements, we found they have low liquidity and low coverage ratios. Also, upon review of their DNB credit report, the task force found they have a high overall business risk. However this is just for US operations. In our opinion the structure of the parent company would not allow for their company to fail. We would say that this makes the company safe.
New Flyer	Yes	After reviewing their financial statements, we found they have some concerning ratios. However, they have a diverse portfolio that compliments their bus manufacturing operations. Also, upon review of their DNB credit report, the task force found nothing to indicate serious business risk. DNB indicates a high likelihood of continued operations. Overall a safe business to work with.
Proterra	Yes	After reviewing their financial statements, we found some concerns with their current levels of revenue. The task force also found that DNB considers them to be high risk. However, if awarded a contract, the task force has the opinion that their revenues would be in a better place, satisfying our concerns.